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9 February 1982

MEMORANDUM FOR: Director of Central Intelligence

FROM : SA/IA

SUBJECT : Materials for Meeting with PFIAB Task Force on Economics

1. You are scheduled to meet with the PFIAB Task Force on Economics tomorrow at 3:00.

2. Per our discussion the other day, I asked for the following materials:

a. a history of our estimates of Soviet defense spending, including a description of when and why we revised upward our estimates, and

b. a review of the accuracy of our estimates of the Soviet economy.

3. people have provided what I believe to be good and short summary answers to your questions. They have provided also some backup material, which I believe you will find informative. I say this knowing that, at least in the case of Soviet defense spending analysis, you were briefed in detail on the methodology. Allowing for weaknesses in that methodology, the bottom line judgment still seems to give us a fairly good handle on the trend in Soviet defense spending.

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4. The summary of CIA's economic estimates includes useful tables showing the comparison of the estimated and actual rates of growth of Soviet GNP, industrial and agricultural production, and oil production.

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cc: Executive Director

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